



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



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AUG 17 2004

DIV OF OIL GAS & MINING

IN REPLY REFER TO:
3809
(UT-924-OA)
UTU-70615, et al.

August 12, 2004

CERTIFIED MAIL--Return Receipt Requested

DECISION

Obligor/Operator:	:	Notice Operations:	UTU-70615
David Penney	:		UTU-70660
Penny Gemstones	:		UTU-75877
P. O. Box 312	:		UTU-75878
Beaver, UT 84713	:		UTU-78293
	:		
Financial Institution:	:	Nationwide Bond Amount:	\$50,000
Utah Independent Bank	:		
P. O. Box 1030	:		
Beaver, UT 84713	:		

Nationwide Financial Guarantee Accepted to Cover Additional Notices Notices Extended

You filed notices extending 3809 notices UTU-70615, UTU-70660, UTU-75877, UTU-75878 and UTU-78293 with the Fillmore Field Office, Bureau of Land Management (BLM). The reclamation cost estimate is determined to be as follows:

<u>3809 Notice</u>	<u>Reclamation Cost</u>
UTU-70615	\$1,000.00 - 5/023/083 - Rapunzel
UTU-70660	\$9,800.00 - 5/027/024 - Little Spot
UTU-75877	\$2,600.00 5/027/096 - Fantasy Land
UTU-75878	\$3,000.00 - 5/027/093 - Pretty in Pink
UTU-78293	\$1,800.00 - 5/027/093 - White tiger
Total:	\$18,200.00

This office accepted a nationwide bond in the form of a letter of credit (LOC) in the amount of \$50,000 effective July 14, 2003. A total of \$26,000 is obligated for 3809 notices UTU-71326, UTU-78613, and UTU-79746 in Utah.

The nationwide financial guarantee is accepted as of August 11, 2004, to cover notices UTU-70615, UTU-70660, UTU-75877, UTU-75878, and UTU-78293. Accordingly, notices UTU-70615, UTU-70660, UTU-75877, UTU-75878, and UTU-78293 are extended until January 20, 2005.

The bond covers operations conducted by or on behalf of the obligor/operator for 3809 notices UTU-71326, UTU-78613, UTU-79746, UTU-70615, UTU-70660, UTU-75877, UTU-75878, and UTU-78293.

The pledge for the bond is a LOC written by the financial institution named above. The LOC will be retained in this office until all terms and conditions of the operations have been fulfilled or until a satisfactory replacement bond has been accepted. The LOC will be returned to the financial institution when this office determines that the bond is not longer required.

The LOC will continue indefinitely in the absence of notice from the financial institution of its determination not to renew the letter. Such a notice must be received in this office at least 90 days prior to the original expiration date of May 28, 2004, or the automatic extension dates falling on the same day in subsequent years. A copy of such notice also should be provided to the obligor, who would then be responsible for providing a replacement security to the BLM. Unless the obligor provides a satisfactory replacement bond at least 30 days prior to the then fixed expiration date, BLM will demand that the financial institution pay the full amount of the credit to ensure continuing bond coverage of the obligor. Any such funds thus obtained will be retained as long as none are required to correct defaults, until the bond is no longer required or until replacement bond coverage is accepted by the BLM.

The bond will be maintained by this office. The bond constitutes coverage of all operations conducted by or on behalf of the obligor on Federal lands (nationwide). The bond provides coverage of the obligor where that obligor has interest in, and/or responsibility for plans of operations or notices on public lands issued under the authority of any of the Acts cited on the bond.

A total of \$44,200 is obligated to the 3809 notices in Utah. A total \$5,800 remains available for other 3809 notices/plans nationwide. If you have any questions concerning the bond, please contact Opie Abeyta at (801) 539-4123.

JAMES F. KOHLER

James F. Kohler
Chief, Branch of Solid Minerals

cc: Ed Ginouves, CCFO (UT-040)
Sheri Wysong, FFO (UT-010)
Terry Snyder, USO (UT-923)
Joelle Burns, UDOGM
1594 W. North Temple, Suite 1210
Salt Lake City, UT 84114

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) Serial Register Page**

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01 07-23-1955;069STAT0367;30USC612
Case Type 380913: SURFACE MGT- NOTICE
Commodity 565: STONE,SPECIALTY LCS
Case Disposition: AUTHORIZED

Total Acres
5.000

Serial Number
UTU--- - 070660

Serial Number: UTU--- - 070660

Name & Address	Int Rel	%Interest
LOW RICHARD PO BOX 159	PAROWAN UT 84761 CLAIMANT	50.000000000
PENNEY DAVID L PO BOX 312	BEAVER UT 84713 CLAIMANT	50.000000000
PENNEY DAVID L PO BOX 312	BEAVER UT 84713 OPERATOR	100.000000000

Serial Number: UTU--- - 070660

Mer Twp Rng Sec SType SNr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
26 0240S 0090W 022 ALIQ	SW;	FILLMORE FIELD OFFICE	MILLARD	BUREAU OF LAND MGM
26 0240S 0090W 027 ALIQ	E2;	FILLMORE FIELD OFFICE	MILLARD	BUREAU OF LAND MGM

Serial Number: UTU 070660

Relinquished/Withdrawn Lands

26 0240S 0090W 711 ALIQ	SW;	FILLMORE FIELD OFFICE	MILLARD	BUREAU OF LAND MGMT
26 0240S 0090W 714 ALIQ	NW;	FILLMORE FIELD OFFICE	MILLARD	BUREAU OF LAND MGMT

Serial Number: UTU--- - 070660

Act Date	Code	Action	Action Remarks	Pending Office
04/26/1990	387	CASE ESTABLISHED		
04/26/1990	405	NOTICE OF INTENT/DISTURB	5.0;AC PROP DISTURB	
04/26/1990	501	REFERENCE NUMBER	57429,326873,331633;	
04/26/1990	501	REFERENCE NUMBER	UDOGM S/027/024;	
04/26/1990	501	REFERENCE NUMBER	UT-055-90-08N;	
04/26/1990	669	LAND STATUS CHECKED		
05/03/1990	874	RESOURCE CLEARANCES	T&E PLANT AND ANIMAL;	
05/11/1990	868	EFFECTIVE DATE	/A/	
05/30/1990	896	CONFLICT IDENTIFIED	COMMON VARIETY;	
06/14/1991	041	COMPL EXAM/RPT COMPLETED		
04/09/1992	041	COMPL EXAM/RPT COMPLETED		
04/09/1992	528	ACRES DISTURBED	2.0;	
12/03/1993	114	AMEND/CORR APLN RECD	AMEND LOCATION;	
12/03/1993	501	REFERENCE NUMBER	335439;	
12/03/1993	669	LAND STATUS CHECKED		
12/06/1993	874	RESOURCE CLEARANCES	T & E PLANT;	
12/08/1993	874	RESOURCE CLEARANCES	T & E ANIMAL;	
12/15/1993	116	AMENDMENT APPV	SOP ADDED;	
07/26/1994	041	COMPL EXAM/RPT COMPLETED		
07/26/1994	528	ACRES DISTURBED	2.5;	
08/10/1994	041	COMPL EXAM/RPT COMPLETED		
11/01/1994	874	RESOURCE CLEARANCES	CULTURAL CLEARANCE;	
07/19/1995	041	COMPL EXAM/RPT COMPLETED		
06/17/1996	041	COMPL EXAM/RPT COMPLETED		
03/20/1998	041	COMPL EXAM/RPT COMPLETED		
05/07/1998	041	COMPL EXAM/RPT COMPLETED		
07/14/1998	041	COMPL EXAM/RPT COMPLETED		
07/28/1998	114	AMEND/CORR APLN RECD		
07/28/1998	501	REFERENCE NUMBER	335439;	
08/12/1998	116	AMENDMENT APPV		
12/01/1998	041	COMPL EXAM/RPT COMPLETED		
12/27/1999	041	COMPL EXAM/RPT COMPLETED		

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06/27/2000	041	COMPL EXAM/RPT COMPLETED	
07/27/2000	041	COMPL EXAM/RPT COMPLETED	
09/12/2000	041	COMPL EXAM/RPT COMPLETED	
06/06/2001	041	COMPL EXAM/RPT COMPLETED	
07/31/2001	041	COMPL EXAM/RPT COMPLETED	
06/24/2002	974	AUTOMATED RECORD VERIF	SW;
08/26/2002	041	COMPL EXAM/RPT COMPLETED	
09/20/2002	041	COMPL EXAM/RPT COMPLETED	JM;
10/03/2002	295	EXTENSION FILED	
09/10/2003	041	COMPL EXAM/RPT COMPLETED	LG;
11/24/2003	041	COMPL EXAM/RPT COMPLETED	LG;
04/07/2004	300	BOND REQUIRED	\$9800; FFO
08/11/2004	376	BOND FILED	\$9800;LOC;UTB000050
08/12/2004	909	BOND ACCEPTED	EFF 8/11/2004;/B/

Line Nr Remarks

Serial Number: UTU--- - 070660

0001	/A/ MR PENNY WAS INFORMED THE BLM'S PRELIMINARY
0002	OPINION IS THE OBSIDIAN LOCATED IS COMMON VARIETY;
0003	/B/ \$50000 NW BOND ACCEPTED FOR UTU70615, UTU70660,
0004	UTU75877, UTU75878 & UTU78293;
0005	/C/ NW BOND ALREADY COVERS UTU71326, UTU78613 &
0006	UTU79746; \$44200 OBLIGATED, \$5800 AVAILABLE;